

**MINUTES OF THE POLICE PENSION BOARD
REGULAR QUARTERLY MEETING
TUESDAY, JULY 28, 2009**

CALL TO ORDER:

President Helgerson called the meeting to order at 5:32 pm.

ROLL CALL:

Present: President Stan Helgerson, Vice-President David Comstock, Secretary Andrew Doles, and Trustee Ken Azarela. A quorum was present. Assistant Secretary Dennis Walker was absent. Village Treasurer Jack Walde, Mary Tomanek, and Recording Secretary Laura Donohue were also present. Cary Collins arrived at 5:35 pm.

ADOPT AGENDA:

A motion was made by Doles and seconded by Comstock to adopt the agenda as presented. Voice vote: unanimous ayes - motion carried.

APPROVAL OF MINUTES:

The minutes of the regular meeting held April 29, 2009 were presented. There were no questions or changes to the minutes.

A motion was made by Comstock and seconded by Azarela to approve the minutes of the April 29, 2009 meeting. Voice vote: unanimous ayes - motion carried.

MONEY MANAGER REPORT:

Smith Barney

Tomanek distributed the quarterly performance review for the period ending June 30, 2009 along with several handouts of the Market at a Glance discussing the following: inflation trends, consumer spending, leading economic indicators, as well as a graphic of the lower quality rebound of the market's rally from March 31, 2009 to June 30, 2009. General comments from Tomanek – market is still very volatile and is recommending caution as the board moves forward as we are not “out of the woods” yet.

Azarela questioned the portfolio mix. Helgerson and Walde explained the new influx of monies from property taxes. Comstock questioned the board's movement into equities – is the speed good? Tomanek's response was a solid “Yes” with the caveat that a look into corporate bonds would be an excellent assist as they afford a middle ground. This type of investment will use the policy's equity bucket. The board would like Tomanek to search out corporate mutual funds inclusive of high quality bonds. Tomanek will email new fund information as discovered. If Becker provides any news Tomanek will include that as well. Overall the discussion pointed to looking at the percentage balance as a strategy when the new monies from property taxes become available in September.

Voyageur Large Cap Growth Replacement – Congress Asset Management

Tomanek explained the fall out with investment management firms. Voyageur is exiting the marketplace and Congress Asset Management looks to be a good fit. Another group, Red Granite tends to raise cash in down markets and the board does not need more conservatism. Congress' track record is solid. Looking for a date of transition of July 31, 2009 with all information going to the board. Consensus is to move to Congress by the third week of July for a clean break.

A motion was made by Comstock and seconded by Doles to authorize the moving of the funds from Voyageur Large Cap Growth Fund to Congress Asset Management. Voice vote: unanimous ayes – motion carried.

TREASURER'S REPORT:

Financial Statements for the Period Ending June 30, 2009

Balance Sheet:

The total book value of assets reported was \$9,449,529.39. The June equity market value adjustment was positive at \$16,327.21. The unrealized year-to-date market adjustment in the fixed income portfolio was negative at \$65,531.02.

Income Statement:

Total revenues through 06/30/2009 were \$588,555.03. Of this amount, employer contributions were \$368,374.84 or 47.9% of budget. The employee contributions were \$61,505.02 or 15.8% of budget. Investment income was a gain of \$158,675.17 which includes the referenced equity market value adjustment.

Expenditures were \$49,366.29 or 16.6% of budget. Benefit payments were \$36,460.06 and reflect previously approved pension payments to Schinkel, Stone, Azarela, Weber, and Frasier. Administrative expenses were \$12,906.23 or 18.4% of budget. Investment management fees amounted to \$9,612.55 and the compliance fee and training was \$3,293.68.

The audit was completed through FYE 04/30/09 with no adjustments. All pertinent information was sent to Sharpe for actuarial review. Walde and Helgerson discussed anticipating a 30% increase to the tax levy which Doles questioned.

Distributed with the financial reports for the period ending 06/30/2009 was the Third Quarter 2009 Check Register, 3rd Quarter Bank Statements, 3rd Quarter Money Market Statements, Investment Confirmations, and Client Statements for trade activity during the 3rd Quarter, correspondence from the money managers, correspondence from Wade A. Merritt, and two invitations for IPPFA sponsored mandated pension training.

Azarela questioned the increase in dollars. Walde explained the posting of property tax payments. Walde also mentioned the next bump in dollars coming in September. Comstock questioned the cash position. Walde explained the transfers from the tax payments.

There were no other questions regarding the Village Treasurer's Report.

A motion was made by Doles and seconded by Azarela to accept the Treasurer's Report and to ratify the money manager's transactions, wire transfers, ACH transfers and the check register through June 30, 2009. Voice vote; unanimous ayes - motion carried.

APPROVE BILLS FOR PAYMENT:

There are no outstanding bills for payment.

REQUEST FOR BENEFITS:

There are not request for benefits.

RECESS TO EXECUTIVE SESSION:

A motion was made by Azarela and seconded by Doles to recess into Executive Session to review Executive Session Minutes. Voice vote: unanimous ayes – motion carried.

Adjourn 5:40 p.m.

RETURN TO REGULAR MEETING:

Call to order 5:44 p.m.

Present: President Stan Helgerson, Vice-President David Comstock, Secretary Andrew Doles, and Trustee Ken Azarela. A quorum was present. Assistant Secretary Dennis Walker was absent. Village Treasurer Jack Walde, Cary Collins, and Recording Secretary Laura Donohue were also present.

An announcement was made by Cary Collins that the Board reviewed executive session minutes and that no minutes will be released.

NEW BUSINESS:

Election of Pension Board Officers

Stan Helgerson, President

David Comstock, Vice President

Andrew Doles, Secretary

Dennis Walker, Assistant Secretary

Ken Azarela, Trustee

A motion was made by Doles and seconded by Azarela to retain and elect all current positions as listed above. Voice vote: unanimous ayes – motion carried.

Required Trustee Training & Memberships

The General Assembly has passed the following legislation: Public Act 96-0006 requires eight hours of ethics related training. On the books but not yet signed is Senate Bill 1974 requiring 32 hours of training for all new trustees. Sitting board members would be required to obtain 16 hours.

IPPFA's membership fee is \$1,000/year and includes available training. Various certifications are available for additional fees. Azarela questioned the need for dual memberships (IPAC and IPPFA). Helgerson pointed out the availability for more access to training. Collins complimented Helgerson's awareness of the various training sessions. Doles questioned affordability. Walde said you cannot afford NOT to do so. The opening of the doors to additional availability and convenience for scheduling is worth the cost. Membership also allows for discounts on training.

A motion was made by Doles and seconded by Comstock to join IPPFA at a cost of \$1,000/year as well as to renew membership in IPAC at a cost of \$400/year. Voice vote: unanimous ayes - motion carried.

OLD BUSINESS:

None

NEXT QUARTERLY MEETING:

The next regular Police Pension Board meeting will be held on Wednesday, October 28, 2009 at 5:30 p.m. in the Police Department Conference Room of Village Hall.

ADJOURNMENT:

There being no further business, it was moved by Comstock and seconded by Doles to adjourn. Voice vote: unanimous ayes – motion carried.

The meeting adjourned at 6:30 p.m.

/S/ Andrew Doles
Secretary